

Mining Permits

October 1, 2012 – September 30, 2016 (FFY 2013-2016)

FFY 2014 REPORT

Objective:

Complete timely NPDES permitting actions for metallic mining projects in Minnesota to address outstanding environmental issues, eliminate permit backlog, and issue permit decisions for construction projects.

Statement of Problem/Issue:

Water quality permits for the metallic mining sector are critical to the protection of surface waters. These permits are often associated with economic development, are under increasing public scrutiny, and involve complex permitting situations. As a result, NPDES permits for the metallic mining sector have a higher than average reissuance backlog and permit decisions for new or expanding facilities are often delayed.

Scope:

All new, expanding and existing metallic mining operations in Minnesota needing NPDES permits.

Strategy:

Complete a workload analysis and schedule for pursuing staffing revisions; identify permit priorities and schedules; identify necessary process improvements based on past experience and implement process revisions; develop standard operating procedure(s) to expeditiously move to final permit decisions.

The Metallic Mining Joint Priority will include identification and prioritization of metallic mining permitting projects, and streamlining/improving the permitting process to assure NPDES permit decisions in a timely manner and eliminate the permit backlog over a 5 year period.

Work Load Analysis and Staffing

It is anticipated that significant additional staff resources will be needed to meet performance measures for this joint priority. The commitments in this joint priority are based on the assumption that the following activities are successfully completed:

By March 29, 2013 a work load analysis will be developed – MPCA lead. The work load analysis will include projections necessary to eliminate the metallic mining permit backlog to zero by July 1, 2018 and assure timely permit decisions for new construction (new and expanded mines) projects. The work load analysis will include known significant barriers to permit issuance and resources needed to address these barriers.

By April 30, 2013, EPA and MPCA will each independently develop staffing initiatives that reflect

the work load analysis and meet the commitments of the joint priority.

By June 30, 2013, EPA and MPCA will each independently achieve approval of staffing initiatives.

By September 30, EPA and MPCA will complete hiring or assignment of staff identified in the respective staffing initiatives.

By December 31, 2013, newly assigned EPA and MPCA staffs will complete permit writer training and other training, as appropriate to achieve a level of expertise needed to issue metallic mining permits.

Permit Project Prioritization and Scheduling

By April 1, 2013 MPCA and EPA will develop a Metallic Mining Permit Priority List that will focus staff resources on critical construction projects and permit reissuances necessary to eliminate the permit backlog by July 1, 2018 (5 years). The Priority List will include tiered goals and performance measures based on staffing (fewer projects under current staffing levels and more projects under the level identified in the staffing initiatives). Assuming the scope including the 25 existing metallic mining permits identified below, performance measures should achieve an average of 1) work on 2 new permits, 2) complete 5 permit modifications, and 3) complete 5 permit reissuances per year over the next 5 years to achieve a 20% backlog reduction per year and issue construction permits. This prioritization and schedule will be evaluated and updated by EPA and MPCA by October 1, 2013 and annually thereafter.

MPCA will lead the development of the Metallic Mining Permit Priority List and proposed schedule for completing each of the active permitting projects. The initial Metallic Mining Permit Priority List is provided below and will be updated every 12 months. Permit project schedules will be reviewed and revised monthly via MPCA/EPA conference calls.

Metallic Mining Permit Priority List (Preliminary)

NPDES ID	Permit Name	Current Major Minor Status	Issue Date	Expiration Date
NEW	POLYMET	TBD		
MN0054089	CLIFFS ERIE, LLC-HOYT LAKES (combining 2 permits)	Minor	5/4/2001	11/30/2005
MN0042579	CLIFFS ERIE LLC-DUNKA	Minor	8/3/2000	6/30/2005
MN0055301	NORTHSHORE MINING/SILVER BAY P	Major	1/26/2004	9/30/2008
MN0057207	US STEEL/MINNTAC TAILINGS BASI	Minor	9/30/1987	7/31/1992

MN0050504	US STEEL CORP-MINNTAC WWTF	Minor	12/31/1984	12/31/1989
MN0069078	MESABI MINING/STEEL DYNAMICS	Minor	11/30/2007	6/30/2010
NEW	ESSAR EXPANSION	TBD		
NEW	TWIN METALS	TBD		
NEW	TECK	TBD		
NEW	DIRECT REDUCED IRON	TBD		
MN0070378	Magnetation LLC - Plant 4			NEW
	TOP PRIORITIES ARE ABOVE THIS LINE			
MN0044946	EVELETH MINES LLC DBA EVTAC	Minor	6/30/1999	5/31/2004
MN0055964	ISPAT INLAND MINING CO-MINORCA	Minor	9/29/2000	7/31/2005
MN0042536	CLEVELAND CLIFFS LLC	Minor	5/4/2001	11/30/2005
MN0052116	UNITED TACONITE, LLC	Minor	8/25/2005	7/31/2010
MN0052493	US STEEL CORP-RESERVOIR	Minor	1/7/2004	11/30/2008
MN0049760	Hibbing Taconite Co - Tails Basin Area			4/30/2000
MN0044946	United Taconite LLC - Thunderbird Mine			5/31/2004
MN0060151	MDNR Soudan State Park			9/30/2008
MN0059633	ArcelorMittal Minorca Mine Inc. - Laurentian			12/31/2011
MN0001465	Hibbing Taconite Co - Mining Area			5/31/2013
MN0069221	Magnetation Plant 1 & Mesabi Chief Tailings Basins			6/30/2013
MN0069400	Northshore Mining Co - Silver Bay Dredge Disposal			2/28/2014
MN0046981	Northshore Mining Co - Peter Mitchell			7/31/2014
MN0069868	Magnetation Plant 2			9/30/2015
MN0020249	Midland Research Center			7/31/2016
MN0055948	Keewatin Taconite Operations - Tailings			10/31/2016
MN0031879	US Steel Corp - Keetac			10/31/2016
MN0070050	Mining Resources LLC			10/31/2016
MN0068241	Essar Steel Minnesota LLC			9/30/2017

FFY 2013 Report:

MPCA's staffing initiative was only partially funded and also delayed until July 2014. We expect funding for one additional FTE for water quality permitting. In the meantime, we are shifting resources to the extent possible and continuing work to eliminate the mining permit backlog. The Metallic Mining Permit Priority List has been developed and is up to date. The Magnetation Plant 4 was reissued in May. EPA and MPCA staff toured the US Steel Minntac and Cliffs Erie sites in mid-August 2013. We continue to work through various issues in an effort to get these permits developed and on public notice. The Polymet supplemental draft EIS is nearing public notice and the various media permits are being developed concurrently. EPA is a cooperating agency and participates in biweekly update meetings

Process Improvement

By June 30, 2013, EPA and MPCA will work together to develop Standard Operating Procedure(s) (SOP) for the development and review of Metallic Mining permits. The SOP shall include EPA and MPCA roles and responsibilities, and include generic time commitments for each step. The SOP shall describe EPA's early consultation on TMDL implementation, pre-TMDL impaired waters, compliance schedules, and complex effluent limit determinations. EPA and PCA will continue to work together on the variance process improvement effort currently underway.

To maximize permit decision making and processing, EPA and MPCA will work jointly on process improvement activities throughout the term of the PPA. Process improvement activities will include, but not be limited to, EPA/MPCA communications, communication with external parties, and addressing tribal concern. Initial improvements will focus on improved EPA/MPCA collaboration, development and improvement to permit templates, and avoiding duplication of work efforts.

As process impediments are identified EPA and MPCA agree to evaluate and resolve the impediment in a fixed period of time. If an issue is not resolved within the established period it will be elevated to the Division Director (EPA) level and Assistant Commissioner (MPCA) level for resolution.

EPA Comments:

EPA developed a draft SOP and sent it to the MPCA on July 1, 2013. MPCA provided brief verbal feedback later that month. MPCA provided written revisions to EPA's draft SOP on December 23, 2013. Additional negotiation is needed to finalize the SOP. MPCA will work with EPA to schedule further discussions on this issue.

FFY 2014 Report:

Staffing – Adequate staffing continues to be a challenge. MPCA received funding for one additional FTE in water quality permitting beginning July 2014. This funding was delayed from original expectations when the joint priority was developed. In addition, it has been difficult to find qualified candidate that is willing to accept this position. Additional candidate interviews are scheduled with the hope of filling the position in the next 2 months. MPCA also lost a key mining unit supervisor who recently transferred to a private sector position. The supervisor position was filled internally.

Commented [KP1]: The report identifies that the level of effort to date has not been sufficient to meet the joint priority objective and eliminate the permit backlog over a 5 year period nor does it provide significant actions or enhanced strategies intended to improve program performance or meet the joint priority objective going forward. MPCA should provide an enhanced strategy such as redeploying permitting staff from other NPDES industrial sector permitting groups to assist with processing the permits timely in accordance with the Joint priority.

Mining Permit Priority List – MPCA and EPA staff remain focused on several permit reissuances as well as new permits and permit modifications. By the end of 2014 we expect to have the US Steel Minntac Tailings Basin permit (which will include the WWTF) on public notice. We are also actively working on two permit modifications. MPCA proposes to update the Metallic Mining Permit Priority List as follows:

Commented [KP2]: The priority list presented should be adjusted to reflect the goal of the joint priority. EPA recommends a revision to the list of permits/sites to ensure the objective of the priority is met. Mine permits that are not NPDES permits should be removed from the list for purposes of the joint priority and the remaining permits should be prioritized to reflect the need to address active discharges, potential environmental impact of those discharges and the duration of which the permit has been expired. EPA provides a recommended table of priority permits.

Metallic Mining Permit Priority List (Proposed Updates 11/1/14)

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NEW	ESSAR EXPANSION	TBD		
NEW	TWIN METALS	TBD		
NEW	TECK	TBD		
MN0070378	Magnetation LLC - Plant 4 MODIFICATION		5/22/2013	4/30/2018
MN0070050	Mining Resources LLC MODIFICATION		8/01/2014	10/31/2016

			(mod)	
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MN0060151	MDNR Soudan State Park			9/30/2008
MN0059633	ArcelorMittal Minorca Mine Inc. - Laurentian			12/31/2011
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MN0020249	Midland Research Center			7/31/2016
MN0055948	Keewatin Taconite Operations - Tailings			10/31/2016
MN0031879	US Steel Corp - Keetac			10/31/2016
MN0070050	Mining Resources LLC			10/31/2016
MN0068241	Essar Steel Minnesota LLC			9/30/2017
MN0070378	Magnetation LLC---Plant 4			NEW

Additional information:

For more information on the Mining Permits Joint Priority, contact:

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